

Amendments to the Specification

The following paragraphs replace previously presented paragraphs in the original application.

Please amend the **Specification** as follows:

Please replace the paragraph on Page 6, lines 7-14 with the following:

In operation, network 100 transports data between access devices over transport network 108. Advantageously, network 100 includes control mechanism 104-1 that adjusts a level of encoding in encoder 106-1 to reduce loss of transmission quality in response to changing network conditions. The method begins at block 200. At block 202 control mechanism 104-1 sets a level of encoding for encoder 106-1. For example, control mechanism 104-1 communicates a rate for encoder 106-1 over PCI bus 114-1. In another embodiment, control mechanism 104-1 also provides further parameters to encoder 106-1 to control the encoding level of encoder 106-1.

Please also replace the paragraph on Page 6, lines 15-26 with the following.

Access device 102-1 generates data for transmission over transport network 108. At block 204, encoder 106-1 receives data from at least one data source. In one embodiment, the at least one data source comprises a source of video data, e.g., a camera, video player, or other appropriate source of video data. At block 206, encoder 106-1 encodes the data received from the data source using the level of compression specified at block ~~206~~ 202. Encoder 106-1 provides the encoded data to network interface circuit 110-1. Network interface circuit 110-1 passes the encoded data over connections 114 to transport network 108. Transport network 108 routes the data to, for example, access device 102-N. In access device 102-N, network interface circuit 110-N passes the encoded data to decoder 120-N. Decoder 120-N decodes the data and provides the data to the data sink, for example, a television, a monitor, a computer, or other appropriate data sink.